

**GRANDE-BRETAGNE ET IRLANDE DU NORD  
ET ITALIE**

Echange de notes comportant un accord provisoire pour régler les importations du Royaume-Uni en Italie. Rome, le 18 mars 1935.

Echange de notes concernant le maintien en vigueur pour une nouvelle période d'essai de l'Accord du 18 mars 1935, dûment complété par les dispositions stipulées dans l'annexe aux présentes notes. Rome, le 27 avril 1935.

Echange de notes concernant l'application des dispositions des Accords en vigueur relatifs aux importations du Royaume-Uni en Italie, à l'importation, en Italie, de la morue provenant de Terre-Neuve. Rome, le 27 avril 1935.

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**GREAT BRITAIN AND NORTHERN IRELAND  
AND ITALY**

Exchange of Notes constituting a Provisional Agreement regulating Imports from the United Kingdom into Italy. Rome, March 18th, 1935.

Exchange of Notes regarding the Maintenance in Force, for a Further Period of Trial, of the Agreement of March 18th, 1935, as supplemented by the Provisions laid down in the Annex to the Present Notes. Rome, April 27th, 1935.

Exchange of Notes regarding the Extension of the Agreements in Force, with regard to the Import into Italy of United Kingdom Goods, to the Import into Italy of Newfoundland Codfish. Rome, April 27th, 1935.

No. 3699. — EXCHANGE OF NOTES<sup>1</sup> CONSTITUTING A PROVISIONAL AGREEMENT BETWEEN HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM AND THE ITALIAN GOVERNMENT REGULATING IMPORTS FROM THE UNITED KINGDOM INTO ITALY. ROME, MARCH 18TH, 1935.

N° 3699. — SCAMBIO DI NOTE<sup>1</sup> COSTITUENTE UN ACCORDO PROVVISORIO FRA IL GOVERNO DI SUA MAESTÀ NEL REGNO UNITO ED IL GOVERNO ITALIANO PER LE IMPORTAZIONI DAL REGNO UNITO IN ITALIA. ROMA, 18 MARZO 1935.

*English and Italian official texts communicated by His Majesty's Secretary of State for Foreign Affairs in Great Britain and by the Italian Minister for Foreign Affairs. The registration of this Exchange of Notes took place July 12th, 1935.*

*Textes officiels anglais et italien communiqués par le secrétaire d'Etat aux Affaires étrangères de Sa Majesté en Grande-Bretagne et le ministre des Affaires étrangères d'Italie. L'enregistrement de cet échange de notes a eu lieu le 12 juillet 1935.*

I.

SIR E. DRUMMOND TO SIGNOR MUSSOLINI.

ROME, March 18th, 1935.

YOUR EXCELLENCY,

The negotiations which have taken place between the Governments of Italy and the United Kingdom as a result of the recent Italian provisions regulating imports into Italy have happily led to the conclusion between the two Governments of a provisional arrangement with regard to imports from the United Kingdom into Italy. Pending the conclusion of a definitive agreement, which the two Governments hope to conclude and negotiations for which will be undertaken as rapidly as possible, agreement has been reached that 80 per cent. of all United Kingdom exports, based on the corresponding period of last year, are to be admitted into Italy, subject to the following method of payment. The Italian importer will deposit the required lire in the "Istituto Nazionale per i Cambi con l'Estero", those lire to remain untouched until the Istituto shall dispose of sufficient sterling for transfer to the exporter of the United Kingdom goods. The cost of any exchange operations will be borne by the importer in Italy, who will thus meet his sterling liability in full.

The Italian Government guarantee that all devisen accruing from Italian imports into the United Kingdom as from the date of signature of the provisional agreement shall be devoted exclusively to the payment of United Kingdom imports into Italy.

His Majesty's Government in the United Kingdom have agreed to this provisional arrangement without prejudice to their position in respect of any treaty provisions and without prejudice to the terms of the definitive agreement referred to above. When negotiations for the definitive agreement begin, His Majesty's Government will seek to bring into account invisible as well as visible payments.

<sup>1</sup> Came into force March 18th, 1935.

<sup>1</sup> Entré en vigueur le 18 mars 1935.

I have the honour to suggest that the present note and your Excellency's reply shall be regarded as constituting the provisional agreement reached between our two Governments regulating imports from the United Kingdom into Italy; the agreement to enter into force as from to-day's date.

I avail, etc.

Eric DRUMMOND.

Per copia conforme :

p. *Il Ministro degli Affari Esteri*,  
Suvich.

TEXTE ITALIEN. — ITALIAN TEXT.

<sup>1</sup> TRADUCTION. — TRANSLATION.

II.

II.

SIGNOR MUSSOLINI A SIR E. DRUMMOND.

SIGNOR MUSSOLINI TO SIR E. DRUMMOND.

MINISTERO DEGLI AFFARI ESTERI.

MINISTRY OF FOREIGN AFFAIRS.

ROMA, 18 marzo 1935-XIII.

ROME, March 18th, 1935, XIII.

SIGNOR AMBASCIATORE,

YOUR EXCELLENCY,

Nella Sua Nota in data odierna Vostra Eccellenza si è compiaciuta di comunicarmi quanto segue :

In your note of to-day's date you were good enough to inform me as follows :

« I negoziati che hanno avuto luogo fra il Governo Italiano e il Governo del Regno Unito, in relazione alle recenti disposizioni italiane che regolano le importazioni in Italia hanno felicemente portato alla conclusione fra i due Governi di un Accordo provvisorio per le importazioni dal Regno Unito in Italia. In attesa della conclusione di un accordo definitivo, che i due Governi sperano di concludere e i cui negoziati saranno iniziati al più presto, resta inteso che l'80 per cento di tutte le esportazioni del Regno Unito, in base al periodo corrispondente dell'anno passato, saranno ammesse in Italia, sottoponendole al seguente metodo di pagamento : l'importatore italiano depositerà il relativo importo in lire italiane presso l'« Istituto Nazionale per i Cambi con l'Esterio » dove tali lire rimarranno vincolate sino a che l'Istituto disporrà di un sufficiente ammontare di lire sterline per il trasferimento all'esportatore delle merci del Regno Unito. Il costo di ogni operazione di cambio sarà a carico dell'importatore in Italia, il quale si troverà così di fronte all'intero suo dare in sterline.

“ The negotiations which have taken place between the Governments of Italy and the United Kingdom, as a result of the recent Italian provisions regulating imports into Italy, have happily led to the conclusion between the two Governments of a provisional arrangement with regard to imports from the United Kingdom into Italy. Pending the conclusion of a definitive agreement, which the two Governments hope to conclude and negotiations for which will be undertaken as rapidly as possible, agreement has been reached that 80 per cent. of all United Kingdom exports, based on the corresponding period of last year, are to be admitted into Italy subject to the following method of payment. The Italian importer will deposit the required lire in the ' Istituto Nazionale per i Cambi con l'Esterio ', those lire to remain untouched until the Istituto shall dispose of sufficient sterling for transfer to the exporter of the United Kingdom goods. The cost of any exchange operations will be borne by the importer in Italy, who will thus meet his sterling liability in full.

<sup>1</sup> Traduction du Foreign Office de Sa Majesté britannique.

<sup>1</sup> Translation of His Britannic Majesty's Foreign Office.

» Il Governo Italiano garantisce che tutte le divise derivanti da importazioni italiane nel Regno Unito a datare dalla firma del presente accordo provvisorio saranno devolute esclusivamente al pagamento delle importazioni dal Regno Unito in Italia.

» Il Governo di Sua Maestà Britannica nel Regno Unito aderisce al presente Accordo provvisorio senza pregiudizio della sua posizione rispetto a qualsiasi disposizione dei Trattati e senza pregiudizio delle clausole dell'anzidetto accordo definitivo. Quando cominceranno i negoziati per l'accordo definitivo, il Governo di Sua Maestà procurerà di tener conto dei pagamenti sia invisibili sia visibili.

» Ho l'onore di proporre che la presente Nota e la risposta di Vostra Eccellenza costituiscano l'accordo provvisorio raggiunto fra i nostri due Governi per regolare le importazioni dal Regno Unito in Italia, accordo che entrerà in vigore dal 18 marzo corrente. »

Nel segnare ricevuta di tale Nota, ho l'onore di portare a conoscenza dell'Eccellenza Vostra che il Governo Italiano ne accetta i termini subordinatamente ai seguenti punti :

Il Governo Italiano si riserva il diritto, qualora le importazioni italiane nel Regno Unito dovessero sostanzialmente ridursi al di sotto delle cifre del corrispondente periodo del 1934, di rivedere la percentuale dell'80 per cento delle importazioni dal Regno Unito da ammettersi in Italia in conformità di questo accordo.

Nei riguardi dell'ultimo punto del primo paragrafo della Nota di Vostra Eccellenza, resta inteso che un onere corrispondente sarà a carico dell'importatore di merci italiane nel Regno Unito.

Il Governo Italiano si riserva di far conoscere il proprio punto di vista riguardo alla dichiarazione formulata nel penultimo paragrafo della Nota di Vostra Eccellenza.

Voglia gradire, etc.

MUSSOLINI.

Per copia conforme :

p. Il Ministro degli Affari Esteri,  
Suvich.

“ The Italian Government guarantee that all devisen accruing from Italian imports into the United Kingdom, as from the date of signature of the provisional agreement, shall be devoted exclusively to the payment of United Kingdom imports into Italy.

“ His Majesty's Government in the United Kingdom have agreed to this provisional arrangement without prejudice to their position in respect of any treaty provisions and without prejudice to the terms of the definitive agreement referred to above. When negotiations for the definitive agreement begin, His Majesty's Government will seek to bring into account invisible as well as visible payments.

“ I have the honour to suggest that the present note and your Excellency's reply shall be regarded as constituting the provisional agreement reached between our two Governments regulating imports from the United Kingdom into Italy ; the agreement to enter into force as from the 18th March. ”

In acknowledging the receipt of this note, I have the honour to inform your Excellency that the Italian Government agree to its terms subject to the following points :

The Italian Government reserve the right, should Italian imports into the United Kingdom be substantially reduced below the figure for the corresponding period of 1934, to reconsider the figure of 80 per cent. of imports from the United Kingdom which are to be admitted into Italy in accordance with this arrangement.

In regard to the last sentence of the first paragraph of your Excellency's note, it is understood that a corresponding responsibility rests on the importer of Italian goods into the United Kingdom.

The Italian Government will make known in due course their own point of view in regard to the declaration formulated in the penultimate paragraph of your Excellency's note.

Please accept, etc.

MUSSOLINI.

## III.

SIR E. DRUMMOND TO SIGNOR MUSSOLINI.

ROME, *March 18th*, 1935.

YOUR EXCELLENCY,

I have the honour, on behalf of my Government, to take note of the points contained in the final paragraphs of your Excellency's note of to-day's date recording the provisional agreement regarding imports reached between our two Governments.

I avail, etc.

ERIC DRUMMOND.

Per copia conforme :

p. *Il Ministro degli Affari Esteri*,  
Suvich.

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<sup>1</sup> TRADUCTION. — TRANSLATION.

N<sup>o</sup> 3699. — ÉCHANGE DE NOTES COMPORTANT UN ACCORD PROVISOIRE ENTRE LE GOUVERNEMENT DE SA MAJESTÉ DANS LE ROYAUME-UNI ET LE GOUVERNEMENT ITALIEN POUR RÉGLER LES IMPORTATIONS DU ROYAUME-UNI EN ITALIE. ROME, LE 18 MARS 1935.

## I.

SIR E. DRUMMOND A M. MUSSOLINI.

ROME, *le 18 mars* 1935.

MONSIEUR LE MINISTRE,

Les négociations qui ont eu lieu entre le Gouvernement italien et le Gouvernement du Royaume-Uni, à la suite des récentes dispositions prises par l'Italie pour réglementer les importations en Italie, ont heureusement abouti à la conclusion, entre les deux gouvernements, d'un arrangement provisoire concernant les importations en Italie de marchandises en provenance du Royaume-Uni. En attendant l'accord définitif que les deux gouvernements espèrent conclure et pour lequel des

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<sup>1</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

<sup>1</sup> Translated by the Secretariat of the League of Nations, for information.

## EXCHANGE OF NOTES

REGARDING THE MAINTENANCE IN FORCE, FOR A FURTHER PERIOD OF TRIAL, OF THE AGREEMENT OF MARCH 18TH, 1935, AS SUPPLEMENTED BY THE PROVISIONS LAID DOWN IN THE ANNEX TO THE PRESENT NOTES. ROME, APRIL 27TH, 1935.

*English and Italian official texts communicated by His Majesty's Secretary of State for Foreign Affairs in Great Britain and by the Italian Minister for Foreign Affairs. The registration of this Exchange of Notes took place August 12th, 1935.*

## SCAMBIO DI NOTE

RELATIVO AL MANTENIMENTO IN VIGORE PER UN ULTERIORE PERIODO DI PROVA DELL'ACCORDO DEL 18 MARZO 1935, OPPORTUNAMENTE COMPLETATO DALLE DISPOSIZIONI STIPULATE NELL'ANNESSO ALLE PRESENTI NOTE. ROMA, 27 APRILE 1935.

*Textes officiels anglais et italien communiqués par le secrétaire d'Etat aux Affaires étrangères de Sa Majesté en Grande-Bretagne et le ministre des Affaires étrangères d'Italie. L'enregistrement de cet échange de notes a eu lieu le 12 août 1935.*

## I.

SIR ERIC DRUMMOND TO SIGNOR MUSSOLINI.

Rome, April 27th, 1935.

YOUR EXCELLENCY,

I have the honour to inform your Excellency that His Majesty's Government in the United Kingdom have examined the conclusions reached in the negotiations that have taken place between their Delegation and the representatives of the Royal Italian Government in regard to the régime to be applied to United Kingdom exports to Italy and in regard to payments therefor, and they have instructed me to state that before arriving at decisions as to the lines of a definitive agreement, they consider it expedient to give a further period of trial to the provisional arrangement established in the Exchange of Notes of the 18th March, 1935.

Accordingly, without prejudice to their position in respect of any treaty provisions and without prejudice to the terms of the definitive agreement referred to above, they propose that those arrangements, supplemented by the provisions laid down in the annexed document, should remain in force until further notice, subject to the right of either Government after the 31st May next to give notice to denounce them on the first day of any month, to take effect at the end of that month. It is understood that each of the two Governments may, as they deem opportune, propose the renewal of negotiations with the aim of concluding a definitive agreement.

I have the honour to enquire whether the Royal Italian Government are in agreement with this proposal.

I avail, etc.

Eric DRUMMOND.

Per copia conforme :

p. Il Ministro degli Affari Esteri,  
Suvich.

## ANNEX TO NO. I.

His Majesty's Government in the United Kingdom and the Royal Italian Government have agreed as follows :

*Article 1.*

(i) From and after the 1st July, 1935, all United Kingdom exports included under Category XXII of the Italian Customs tariff will be admitted into Italy under the system of import licences issued in Italy by the Ministry of Finance.

(ii) Should it be shown from the Italian import statistics that in the period the 1st April to the 30th June the system of Customs receipts now adopted has failed to allow of a total importation

under Category XXII from the United Kingdom into Italy to the extent in value of 80 per cent. of the importation proved in the corresponding period of 1934, the Royal Italian Government will agree that the difference may be imported during the following three-monthly period, and will for this purpose issue licences under the new system referred to in paragraph (i) above.

(iii) The Royal Italian Government are also studying the possibility of admitting imports of United Kingdom coal and coke under the system of import licences.

#### *Article 2.*

As regards those goods whose importation into Italy is regulated under special régimes, the Royal Italian Government will keep His Majesty's Government in the United Kingdom informed of the quotas allotted to exports from the United Kingdom in respect of items in which the United Kingdom is specially interested.

#### *Article 3.*

Should it be found at the end of June 1935 that the system of Customs receipts has not permitted the full utilisation of the percentage quotas in respect of one or more of the commodities governed by this system, and should there at the same time be funds available in the Sterling Account mentioned in Article 5, calculation will be made, on the basis of the Italian statistics, of the total value of the goods which it has not been found possible to import. The Royal Italian Government will then authorise the import from the United Kingdom to Italy, for a value corresponding to the said total value of imports, but within the limits of the funds available in the Sterling Account, of coal or of such other goods as may be agreed between the two Governments.

#### *Article 4.*

(i) All sums due from persons in Italy to persons in the United Kingdom for (a) United Kingdom exports to Italy, and (b) freights for the carriage of goods between the two countries in British ships, shall be deposited in Italian lire on the due date with the Istituto Nazionale per i Cambi con l'Estero (hereinafter called the Istituto) in a special account (hereinafter called the "Lire Account").

(ii) Sums due between the 18th March and the 30th April, 1935, in respect of freights of the kind referred to in paragraph (i) (b) above, shall, in so far as they have not yet been paid or transferred, be admitted for deposit in the Lire Account.

(iii) The lire thus deposited will remain blocked in favour of the respective creditors in the United Kingdom until such time as transfer is effected through the Sterling Account referred to in Article 5 below. Any difference of exchange between the day of deposit and the day of transfer will be credited or debited to the debtor in Italy, who will thus pay the full sterling amount due, or, where the debt is expressed in another currency (and in that case without prejudice to the legal rights of the creditor), the full sterling equivalent on the basis of the official Italian rates of exchange on the day of transfer.

#### *Article 5.*

(i) All sums due from persons in the United Kingdom to persons in Italy for (a) Italian exports to the United Kingdom and (b) freights for the carriage of goods between the two countries in Italian ships, shall be paid in sterling on the due date into a special account at the Bank of England in the name of the Banca d'Italia for account of the Istituto (hereinafter called the "Sterling Account").

(ii) The sums referred to in Article 4 shall be transferred in sterling to creditors in the United Kingdom in the chronological order of their deposit and within the limits of the sums available in the Sterling Account.

#### *Article 6.*

(i) The Royal Italian Government will arrange that the Italian creditors referred to in Article 5 shall notify their respective debtors in the United Kingdom that the debts for which they are

liable will be deemed to have been satisfied by payment in sterling of the amount due into the Sterling Account to the order of the Istituto.

(ii) This procedure will be applied whether the liabilities are expressed in sterling or in other currencies. Where the debt is expressed to be payable in Italian lire, the payment by the debtor will be effected in sterling on the basis of the official Italian rate of exchange on the last working day before the day of payment, and, where the debt is expressed to be payable in another currency, at the current rate of exchange in London for that currency on the day of payment.

(iii) His Majesty's Government in the United Kingdom will take steps to bring the above procedure to the knowledge of the persons concerned in the United Kingdom, and will use its influence to promote the general adoption of the procedure.

#### *Article 7.*

The Banca d'Italia, on behalf of the Istituto, will supply weekly to the Bank of England full particulars of lire deposits, showing the amounts still awaiting transfer ; the Bank of England will be authorised to communicate these particulars, and also details of the Sterling Account, to His Majesty's Government in the United Kingdom.

#### *Article 8.*

The Istituto will take steps to collect particulars of such sums as may be due to persons in the United Kingdom for United Kingdom exports to Italy or for freights in respect of the carriage of goods between the two countries prior to the 18th March, 1935. The sterling proceeds of Italian credits in the United Kingdom which are still outstanding for Italian exports to the United Kingdom before the 18th March, 1935, will, in particular, be devoted to the discharge of the above debts.

#### *Article 9.*

Private compensation arrangements for the exchange of goods between persons in Italy and persons in the United Kingdom will only be permitted after specific approval by the two Governments. Requests for such approval should be addressed respectively to the Istituto and to His Majesty's Embassy at Rome.

#### *Article 10.*

For the purpose of the present Agreement, " persons in Italy " means persons, firms and corporations ordinarily resident or ordinarily carrying on business in Italy (including State organisations and institutions).

" Persons in the United Kingdom " means persons, firms and corporations ordinarily resident or ordinarily carrying on business in the United Kingdom (including State organisations and institutions).

" Italian exports " means produce or manufactures which, under Italian legislation, are considered to be of Italian origin.

" United Kingdom exports " means not only produce or manufactures of the United Kingdom, but also goods which have been imported into the United Kingdom and have normally been re-exported to Italy hitherto.

#### *Article 11.*

In so far as they are not already in operation, and except where it is otherwise provided, the provisions of this Agreement shall come into force on the 1st May, 1935.

#### *Article 12.*

The two Governments will arrange to maintain contact through a Mixed Committee or otherwise, as may be found expedient, with a view to settling any difficulties that may arise in the working of this Agreement in such a manner as to enable the trade between the two countries to be placed on a basis equally satisfactory to both Governments.



<sup>1</sup> TRADUCTION. — TRANSLATION.

## II.

SIGNOR MUSSOLINI TO SIR ERIC DRUMMOND.

ROME, *April 27th*, 1935.

M. L'AMBASSADEUR,

In your note of to-day's date you were good enough to inform me as follows :

*(See English text of No. I, page 296.)*

In acknowledging the receipt of this Note, I have the honour to inform your Excellency that the Royal Italian Government accept its terms, while confirming the reservation contained in the final paragraphs of my Note of the 18th March, 1935.

Please accept, etc.

MUSSOLINI.

## ANNEX.

*(See English text of the Annex to No. I, page 296.)*<sup>2</sup> TRADUCTION — TRANSLATION.

## ÉCHANGE DE NOTES

CONCERNANT LE MAINTIEN EN VIGUEUR POUR UNE NOUVELLE PÉRIODE D'ESSAI DE L'ACCORD DU 18 MARS 1935, DUMENT COMPLÉTÉ PAR LES DISPOSITIONS STIPULÉES DANS L'ANNEXE AUX PRÉSENTES NOTES. ROME, LE 27 AVRIL 1935.

## I.

SIR ERIC DRUMMOND A M. MUSSOLINI.

ROME, *le 27 avril* 1935.

MONSIEUR LE MINISTRE,

J'ai l'honneur de porter à la connaissance de Votre Excellence que le Gouvernement de Sa Majesté dans le Royaume-Uni a examiné les conclusions auxquelles ont abouti les négociations qui ont eu lieu entre sa délégation et les représentants du Gouvernement royal italien, relativement au régime à appliquer aux exportations du Royaume-Uni en Italie, ainsi qu'au paiement desdites exportations. Il m'a chargé de vous déclarer qu'avant de prendre une décision relativement à un accord définitif, il juge opportun de poursuivre, pendant une nouvelle période, l'essai des dispositions provisoires qui avaient été adoptées par échange de notes en date du 18 mars 1935.

En conséquence, sans préjudice de son attitude à l'égard de toutes dispositions de traités et sans préjuger les termes de l'accord définitif susvisé, il propose que lesdites dispositions, complétées par celles qui sont énoncées dans le document ci-annexé, restent en vigueur jusqu'à nouvel avis, sous réserve du droit de chacun des deux gouvernements de donner, à partir du 31 mai prochain, un préavis de dénonciation desdites dispositions, le premier jour d'un mois quelconque, cette

<sup>1</sup> Traduction du Foreign Office de Sa Majesté britannique.

<sup>2</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

<sup>1</sup> Translation of His Britannic Majesty's Foreign Office.

<sup>2</sup> Translated by the Secretariat of the League of Nations, for information.

## EXCHANGE OF NOTES

## SCAMBIO DI NOTE

REGARDING THE EXTENSION OF THE AGREEMENTS IN FORCE, WITH REGARD TO THE IMPORT INTO ITALY OF UNITED KINGDOM GOODS, TO THE IMPORT INTO ITALY OF NEWFOUNDLAND CODFISH. ROME, APRIL 27TH, 1935.

CHE ESTENDE LE INTESE IN VIGORE PER IMPORTAZIONE IN ITALIA DI MERCI DAL REGNO UNITO, ALL'IMPORTAZIONE IN ITALIA DEL BACCALÀ PROVENIENTE DA TERRANOVA. ROMA, 27 APRILE 1935.

*English and Italian official texts communicated by His Majesty's Secretary of State for Foreign Affairs in Great Britain and by the Italian Minister for Foreign Affairs. The registration of this Exchange of Notes took place August 12th, 1935.*

*Textes officiels anglais et italien communiqués par le secrétaire d'Etat aux Affaires étrangères de Sa Majesté en Grande-Bretagne et le ministre des Affaires étrangères d'Italie. L'enregistrement de cet échange de notes a eu lieu le 12 août 1935.*

## I.

SIR ERIC DRUMMOND TO SIGNOR MUSSOLINI.

ROME, April 27th, 1935.

YOUR EXCELLENCY,

In the course of the recent trade negotiations, the United Kingdom Delegation have explained to the Italian Delegation that they were acting solely on behalf of His Majesty's Government in the United Kingdom, but that, having regard to the special responsibility of His Majesty's Government in the United Kingdom in respect of Newfoundland at the present time, they were desirous that the arrangements in force with regard to the import into Italy of United Kingdom goods should be extended to the import into Italy of Newfoundland codfish.

As a result of the discussions which have taken place, I have the honour to submit the following proposal :

That codfish of Newfoundland catching imported into Italy should be treated in the same way as United Kingdom produce, subject to the following conditions :

(i) The authorised percentage shall, in respect of Newfoundland codfish, be 70 per cent. of the imports of such codfish into Italy during the corresponding period of the year 1934 ;

(ii) Any foreign exchange received from the sale of Italian goods exported to Newfoundland shall be devoted to meeting debts due in respect of the importation of goods of Newfoundland origin into Italy ;

(iii) In so far as such foreign exchange is not sufficient to discharge the debts due in respect of imports of Newfoundland codfish into Italy, the balance may be charged against the Sterling Account representing the proceeds of Italian exports to the United Kingdom ;

(iv) Imports of codfish so charged shall be verified by a certificate issued by the Newfoundland Department of Natural Resources that the codfish imported are of Newfoundland catching.

I have the honour to request Your Excellency to confirm that the Royal Italian Government agree to the arrangement proposed above.

I avail, etc.

Eric DRUMMOND.

Per copia conforme :

p. Il Ministro degli Affari Esteri,  
Suvich.

<sup>1</sup> TRADUCTION. — TRANSLATION.

## II.

SIGNOR MUSSOLINI TO SIR ERIC DRUMMOND.

ROME, *April 27th*, 1935.

M. l'AMBASSADEUR,

In your note of to-day's date you were good enough to inform me as follows :

*(See English text of No. I, page 306.)*

In acknowledging the receipt of this Note, I have the honour to inform Your Excellency that the Royal Italian Government accept its terms. At the same time, the Royal Italian Government express confidence that the Government of Newfoundland will allow Italian fishing boats to have in Newfoundland a point of mooring where they may effect transhipment, take in supplies and make necessary repairs.

Please accept, etc.

MUSSOLINI.

<sup>2</sup> TRADUCTION. — TRANSLATION.

## ÉCHANGE DE NOTES

CONCERNANT L'APPLICATION DES DISPOSITIONS DES ACCORDS EN VIGUEUR RELATIFS AUX IMPORTATIONS DU ROYAUME-UNI EN ITALIE, A L'IMPORTATION, EN ITALIE, DE LA MORUE PROVENANT DE TERRE-NEUVE. ROME, LE 27 AVRIL 1935.

## I.

SIR ERIC DRUMMOND A M. MUSSOLINI.

ROME, *le 27 avril* 1935.

MONSIEUR LE MINISTRE,

Au cours des récentes négociations commerciales, la délégation du Royaume-Uni a expliqué à la délégation italienne qu'elle agissait uniquement pour le compte du Gouvernement de Sa Majesté dans le Royaume-Uni, mais qu'étant donné la responsabilité particulière qui incombe en ce moment au Gouvernement de Sa Majesté dans le Royaume-Uni relativement à Terre-Neuve, elle désire que les accords applicables à l'importation en Italie de produits du Royaume-Uni soient étendus aux importations de morue de Terre-Neuve en Italie.

A la suite des discussions qui ont eu lieu, j'ai l'honneur de vous soumettre la proposition suivante :

La morue prise par des pêcheurs terre-neuviens et importée en Italie, sera traitée de la même manière que les produits du Royaume-Uni, dans les conditions suivantes :

(i) Le pourcentage autorisé pour la morue terre-neuvienne sera 70 % des importations de ce produit en Italie pendant la période correspondante de l'année 1934.

<sup>1</sup> Traduction du Foreign Office de Sa Majesté britannique.

<sup>2</sup> Traduit par le Secrétariat de la Société des Nations, à titre d'information.

<sup>1</sup> Translation of His Britannic Majesty's Foreign Office.

<sup>2</sup> Translated by the Secretariat of the League of Nations, for information.